

**Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382**

Final

**AIR QUALITY PERMIT
Issued under 401 KAR 52:030**

Permittee Name: International Paper Company
Mailing Address: 2575 Palumbo Drive, Lexington, KY 40509

Source Name: International Paper Company
Mailing Address: 2575 Palumbo Drive
Lexington, KY 40509

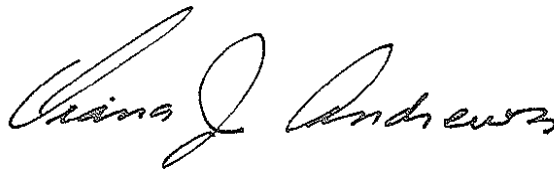
Source Location: Same as above

Permit ID: F-08-003
Agency Interest #: 1059
Activity ID: APE20070001
Review Type: Conditional Major / Synthetic Minor,
Construction / Operating
Source ID: 21-067-00085

Regional Office: Frankfort Regional Office
663 Teton Trail
Frankfort, KY 40601
(502) 564-3358

County: Fayette

Application
Complete Date: October 10, 2007
Issuance Date: March 4, 2008
Revision Date: n/a
Expiration Date: March 4, 2013



**John S. Lyons, Director
Division for Air Quality**

TABLE OF CONTENTS

SECTION	ISSUANCE	PAGE
A. PERMIT AUTHORIZATION	Initial	1
B. EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS	Initial	2
C. INSIGNIFICANT ACTIVITIES	Initial	9
D. SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS	Initial	10
E. SOURCE CONTROL EQUIPMENT REQUIREMENTS	Initial	12
F. MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS	Initial	13
G. GENERAL PROVISIONS	Initial	16
H. ALTERNATE OPERATING SCENARIOS	Initial	23
I. COMPLIANCE SCHEDULE	Initial	23

	Permit type	Activity#	Complete Date	Issuance Date	Summary of Action
F-08-003	Initial Issuance	APE20070001	10/12/07	3/4/08	Initial Construction / Operating Permit

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:030, Federally-enforceable permits for non-major sources.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS**EP6 (6) Converting Equipment – Eight (8) Box Lines**

Description: There are four rotary die cutters and four flexographic presses. After the fiberboard enters the converting process, it can be printed with ink, cut and/or folded and glued.

Designation	Width	Maximum Continuous Rating, (1000 sqft/hr)	Construction Commenced Date
Emba	96	433.3	Dec. 2000
N-15	105	542.5	April 2005
N-16	106	470.6	May 1984
N-19	63	243.8	March 1988
N-30	77.75	337.9	Feb. 1992
N-35	108	350.0	Jan. 1994
N-37	77.75	337.9	March 1995
N-38	96	433.3	July 2005

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to each affected facility associated with a process operation which is not subject to another emission standard with respect to particulates in Chapter 59 of 401 KAR commenced on or after July 2, 1975.

1. Operating Limitations:

- The scrap cyclone shall be operated whenever any of the blowers feeding the cyclone are in operation. The pneumatic scrape collection system shall be operated whenever there is trim and cutout waste being generated by a box line. 401 KAR 59:010.
- The usage rate of raw materials in all affected facilities shall be restricted so the emission limitations as set forth in Section D of this permit are not exceeded.

2. Emission Limitations:

- See Section D for sourcewide VOC and HAP emission limitations.
- See Group Requirements for particulate emission standards.

3. Testing Requirements:

Testing shall be conducted at such times as may be required by the Cabinet in accordance with Regulations 401 KAR 59:005 Section 2(2) and 401 KAR 50:045 Section 4.

4. Specific Monitoring Requirements:

The permittee shall monitor solvent usage for the purpose of demonstrating compliance with source wide VOC and HAP emission limitations.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Recordkeeping Requirements:

- a. Monthly records shall be kept of all solvent containing materials used for the affected facilities which includes, but is not limited to inks, adhesives, diluents, cleaners, and additives. Such records shall contain the amount of each material used during the month and the weight percentages of VOC and all individual HAPs in each of the materials used.
- b. VOC and HAP emissions shall be calculated monthly per Section D of this permit, and every month, new 12-month rolling totals shall be calculated.
- c. See Group Requirements.

6. Specific Reporting Requirements:

- a. The permittee shall report monthly VOC and HAP emissions and the 12-month rolling totals as part of the semiannual reporting as required in Section F (5 & 6). Submission of the semiannual report may also coincide with the submission of annual compliance certification required by Section F.9.
- b. See Group Requirements.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Group Requirements**

Applicable to the following list of Emission Points

EP3	(3)	Starch Silo	
		Truck unloading	1983
EP4	(4)	Scrape Paper Collection and Baler	
		Balemaster Baling Press, Model E-710	October 2007
		Balemaster Hogger, Model 1275-62	October 2007
EP5	(5)	Corrugator	
		435,000 sqft/hr	1983
EP6	(6)	Converting Equipment – Eight (8) Box Lines	

Applicable Regulations:

401 KAR 59:010, New process operations applicable to each affected facility associated with a process operation which is not subject to another emission standard with respect to particulates in Chapter 59 of 401 KAR commenced on or after July 2, 1975.

1. **Operating Limitations:** None

2. **Emission Limitations:**

- a. 401 KAR 59:010, § 3(1)(a), Visible emissions shall not equal or exceed 20% opacity.

Compliance Demonstration Method: See **4. Specific Monitoring Requirements** and **5. Specific Recordkeeping Requirements**

- b. 401 KAR 59:010, § 3(2)(a), Particulate emissions shall not equal or exceed the emission rate determined by the following equation:

$$E = 3.59 \times P^{0.62}$$

Where,

E = Emission rate in pounds per hour, (lbs/hr)

P = Process weight rate in tons per hour of material shred, (tons/hr)

For processing rates of 1000 lbs/hr or less, the allowable emission rate is 2.34 lbs/hr.

Compliance Demonstration Method: See **4. Specific Monitoring Requirements** and **5. Specific Recordkeeping Requirements**

3. **Testing Requirements:** None

4. **Monitoring Requirements:**

- a. The permittee shall perform a qualitative visual inspection for emissions from the Scrape Paper Cyclone and associated pneumatic conveying ducts that are located outside of any building enclosure at least once per operating month and maintain a log of the observations.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**4. Monitoring Requirements: (continued)**

If visible emissions are seen;

(1) The permittee shall initiate repairs to eliminate the visible emissions, or;

(2) Opacity of emissions shall be determined by Reference Method 9.

(i) If emissions are in excess of the applicable opacity limit, then the permittee shall initiate all necessary repairs to the equipment.

(ii) If emissions are not in excess of the applicable opacity limit then the permittee shall determine the opacity of emissions daily using Reference Method 9 for as long as cause or condition attributable for the visible emissions is present.

b. The permittee shall perform a qualitative visual inspection for emissions from the Starch Silo during each truck unloading event (weather permitting) and maintain a log of the observations. If visible emissions are seen;

(1) The permittee shall initiate repairs to eliminate the visible emissions, or;

(2) Opacity of emissions shall be determined by Reference Method 9.

(i) If emissions are in excess of the applicable opacity limit, then the permittee shall initiate all necessary repairs to the equipment.

(ii) If emissions are not in excess of the applicable opacity limit then the permittee shall determine the opacity of emissions using Reference Method 9 for as long as cause or condition attributable for the visible emissions is present.

5. Recordkeeping Requirements:

The permittee shall maintain records of the following information for the particulate controls:

a. The design and/or manufacturer's specifications.

b. Operational procedures, preventive maintenance records, and records of any repairs made to the equipment.

c. Records of Method 9 opacity readings as necessary including the date, time, and identity of the personnel making the observation. Should weather prohibit a Method 9 reading, this fact should also be noted.

6. Reporting Requirements:

a. The permittee shall report visible emissions and actions taken when action is required by 4.

Specific Monitoring Requirements: a(1), a(2), b(1), or b(2) above.

b. When corrective action is required due to visible emissions, copies of these records shall be submitted as a part of the semiannual reporting as required in Section F (5) & (6).

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**EP1 (1) One (1) Natural Gas Fired Boiler**

Description: Sellers Engineering Co., Model SY500
Natural gas-fired w/ #2 fuel oil backup
Maximum continuous rating: (20.9 MMBtu/hr)
Installed: May 1984
Controls: None

EP2 (2) One (1) Natural Gas Fired Boiler

Description: Weil-McLain, Model 886
Natural gas-fired w/ #2 fuel oil backup
Maximum continuous rating: (1.97 MMBtu/hr)
Installed: June 1979
Controls: None

APPLICABLE REGULATIONS:

401 KAR 59:015—New indirect heat exchangers. Applicable with respect to particulate emissions and sulfur dioxide emissions to each affected facility with a capacity of 250 MMBtu/hr or less and commenced on or after April 9, 1972.

1. Operating Limitations: None**2. Emission Limitations:****a. Emission Points (1) and (2) – Opacity Limits, (401 KAR 59:015)**

Section 4(2) limits visible emissions from each stack to less than 20% opacity except:

4(2)(b) A maximum of 40% opacity shall be permissible for not more than 6 consecutive minutes in any 60 consecutive minutes during cleaning the firebox or blowing soot.

4(2)(c) For emissions from an indirect heat exchanger during building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations.

Compliance Demonstration Method:

(1) The boilers are considered to be in compliance when firing natural gas.

(2) See **4. Specific Monitoring Requirements**

(3) See **5. Specific Recordkeeping Requirements**

b. Emission Point (1) – PM and SO₂ Emissions Limitations, (401 KAR 59:015)

(1) Section 4(1)(c) limits emissions of particulate matter to 0.46 pounds per million BTU actual heat input.

Compliance Demonstration Method:

(i) The boiler is considered to be in compliance when firing natural gas.

(ii) See **3. Testing Requirements**

(iii) See **4. Specific Monitoring Requirements**

(iv) See **5. Specific Recordkeeping Requirements**

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**2. Emission Limitations: (continued)****b. Emission Point (1) – PM and SO₂ Emissions Limitations, (continued)**

- (2) Section 5(1)(c) limits emissions of sulfur dioxide to 2.14 pounds per million BTU actual heat input.

Compliance Demonstration Method:

Same as above, b(1)(i) to b(1)(iv).

c. Emission Point (2) – PM and SO₂ Emissions Limitations, (401 KAR 59:015)

- (1) Section 4(1)(a) limits emissions of particulate matter to 0.56 pounds per million BTU actual heat input.

Compliance Demonstration Method:

- (i) The boiler is considered to be in compliance when firing natural gas.
- (ii) See **3. Testing Requirements**
- (iii) See **4. Specific Monitoring Requirements**
- (iv) See **5. Specific Recordkeeping Requirements**

- (2) Section 5(1)(a) limits emissions of sulfur dioxide to 3.0 pounds per million BTU actual heat input.

Compliance Demonstration Method:

Same as above, c(1)(i) to c(1)(iv).

3. Testing Requirements:

- a. Pursuant to 401 KAR 59:015, Section 8, particulate, sulfur dioxide and visible emission limitations specified herein shall be measured by EPA Reference Methods 5,6 and 9 respectively, 40 CFR 60, Appendix A.
- b. The permittee shall conduct at least one performance test for particulate matter (PM), opacity, and sulfur dioxide (SO₂) emissions while combusting No. 2 fuel oil if the boiler is operated exclusively on No. 2 fuel oil for any period greater than (6) six months.

4. Specific Monitoring Requirements:

- a. The permittee shall monitor the type and amount of each fuel burned.
- b. No other specific monitoring is required when the boilers are fired with natural gas.
- c. The permittee shall monitor the heating value and sulfur content of No. 2 fuel oil combusted. The permittee may use fuel supplier certification to meet this requirement.
- d. When firing #2 fuel oil, the permittee shall perform a qualitative visual observation of the opacity of emissions from the stacks.
 - (1) Within 8-hours of stabilization after start-up on No. 2 fuel oil, and
 - (2) Not less than once per week while operating continuously with No. 2 fuel oil. If visible emissions are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then the permittee shall initiate an inspection and repair of the equipment.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Recordkeeping Requirements:

- a. The permittee shall keep a monthly record of the type and amount of each fuel used.
- b. The permittee shall record the dates and times when the boilers are firing each fuel.
- c. For each purchase of the No. 2 fuel oil, the permittee shall keep records the sulfur content and fuel lower heating value.
- d. The permittee shall keep a log of the qualitative opacity observations, including the date, time and the identity of the person making the record.
- e. The permittee shall keep all records of regular maintenance and any necessary repairs to the equipment.

6. Specific Reporting Requirements: None

7. Specific Control Equipment Operating Conditions: None

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:030, Section 6. Although these activities are designated as insignificant the permittee must comply with the applicable regulation. Process and emission control equipment at each insignificant activity subject to an opacity standard shall be inspected monthly and a qualitative visible emissions evaluation made. Results of the inspection, evaluation, and any corrective action shall be recorded in a log.

	<u>Description</u>	<u>Generally Applicable Regulation</u>
1.	Vacuum feed system	N/A
2.	(3) Sheet cleaners	N/A
3.	Starch Kitchen	N/A
4.	Fuel Oil Storage (10,000 gal)	N/A
5.	Maintenance Parts Washer	N/A

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. As required by Section 1b of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030, Section 26; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.
2. VOC and HAP emissions, measured by applicable reference methods, or an equivalent or alternative method specified in 40 C.F.R. Chapter I, or by a test method specified in the state implementation plan shall not exceed the respective limitations specified herein.
 - a. VOC emissions shall not exceed 90 tons during any consecutive twelve (12) month period. Monthly records to demonstrate compliance with this limitation shall be maintained and total VOC emissions shall be reported on a semi-annual basis.
Compliance Demonstration Method: Total monthly VOC emissions, V, in pounds, shall be calculated using a material balance.

$$V = \sum_{i=1}^p M_i C_{vi} + \sum_{j=1}^q M_j C_{vj} + \sum_{k=1}^r M_k C_{vk}$$

Where;

C_{vi} = volatile matter content of ink or other material, i, expressed as a weight-fraction, lb/lb, less water and/or exempt solvent.

C_{vj} = volatile matter content of solvent, j, expressed as a weight-fraction, lb/lb, less water and/or exempt solvent.

C_{vk} = volatile matter content of miscellaneous material, k, expressed as a weight-fraction, lb/lb, less water and/or exempt solvent.

M_i = mass of ink or other solids containing material, i, applied in a month, lb.

M_j = mass of solvent, thinner, reducer, diluent, or other non-solids-containing material, j, applied in a month, lb.

M_k = mass of miscellaneous solvent containing materials, k, including adhesives, additives, and other materials used during the month, lb.

V = monthly VOC emissions, lbs.

i = individual ink or other solids containing material.

j = individual solvent, thinner, reducer, diluent, or other non-solids-containing material.

k = individual miscellaneous solvent containing material.

p = number of different inks, coatings, varnishes, adhesives, primers, and other materials applied in a month.

q = number of different non-solids-containing materials applied in a month.

r = number of different miscellaneous solvent containing materials used during the month.

- b. The emissions of any individual Hazardous Air Pollutant (HAP) shall not exceed nine (9) tons during any consecutive twelve (12) month period. Monthly records, which demonstrate compliance with this limitation, shall be maintained and emissions of each individual HAP shall be reported on a semi-annual basis.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

Compliance Demonstration Method: Monthly HAP emissions, H, in pounds, shall be calculated using a material balance.

$$H_a = \sum_{i=1}^p M_i C_{hi} + \sum_{j=1}^q M_j C_{hj} + \sum_{k=1}^r M_k C_{hk}$$

Where;

C_{hi} = HAP content of ink or other material, i, expressed as a weight-fraction, lb/lb, less water and/or exempt solvent.

C_{hj} = HAP content of solvent, j, expressed as a weight-fraction, lb/lb, less water and/or exempt solvent.

C_{hk} = HAP content of miscellaneous material, k, expressed as a weight-fraction, lb/lb, less water and/or exempt solvent.

H_a = monthly emissions of individual HAP, lbs.

M_i = mass of ink or other solids containing material, i, applied in a month, lb.

M_j = mass of solvent, thinner, reducer, diluent, or other non-solids-containing material, j, applied in a month, lb.

M_k = mass of miscellaneous solvent containing materials, k, including adhesives, additives, and other materials used during the month, lb.

i = individual ink or other solids containing material.

j = individual solvent, thinner, reducer, diluent, or other non-solids-containing material.

k = individual miscellaneous solvent containing material.

p = number of different inks, coatings, varnishes, adhesives, primers, and other materials applied in a month.

q = number of different non-solids-containing materials applied in a month.

r = number of different miscellaneous solvent containing materials used during the month.

- c. Emissions of all combined Hazardous Air Pollutants (HAPs) shall not exceed twenty-two and one-half (22.5) tons during any consecutive twelve (12) month period. Monthly records, which demonstrate compliance with this limitation shall be maintained and total HAP emissions shall be reported on a semi-annual basis.

Compliance Demonstration Method: Total monthly HAP emissions, H, in pounds, shall be calculated using a material balance.

$$H = \sum_{a=1}^b H_a$$

Where;

H = monthly emissions of all combined HAP, lbs.

H_a = monthly emissions of individual HAP, lbs.

a = individual HAP.

b = number of different HAPs emitted during a month.

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

1. Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS

1. Pursuant to Section 1b-IV-1 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26, when continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a. Date, place (as defined in this permit), and time of sampling or measurements;
 - b. Analyses performance dates;
 - c. Company or entity that performed analyses;
 - d. Analytical techniques or methods used;
 - e. Analyses results; and
 - f. Operating conditions during time of sampling or measurement.
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [401 KAR 52:030 Section 3(1)(f)1a and Section 1a-7 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
3. In accordance with the requirements of 401 KAR 52:030 Section 3(1)f the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
 - a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation;
 - b. To access and copy any records required by the permit;
 - c. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
5. Summary reports of any monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation [Sections 1b-V-1 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030, Section 26].

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

6. The semi-annual reports are due by January 30th and July 30th of each year. All reports shall be certified by a responsible official pursuant to 401 KAR 52:030 Section 22. If continuous emission and opacity monitors are required by regulation or this permit, data shall be reported in accordance with the requirements of 401 KAR 59:005, General Provisions, Section 3(3). All deviations from permit requirements shall be clearly identified in the reports.
7. In accordance with the provisions of 401 KAR 50:055, Section 1 the owner or operator shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - a. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
8. The owner or operator shall report emission related exceedances from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Section F.7 above) to the Regional Office listed on the front of this permit within 30 days. Deviations from permit requirements, including those previously reported under F.7 above, shall be included in the semiannual report required by F.6 [Sections 1b-V, 3 and 4 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
9. Pursuant to 401 KAR 52:030, Section 21, the permittee shall annually certify compliance with the terms and conditions contained in this permit by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit in accordance with the following requirements:
 - a. Identification of each term or condition;
 - b. Compliance status of each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent;
 - d. The method used for determining the compliance status for the source, currently and over the reporting period.
 - e. For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

- f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications shall be mailed to the following addresses:

Division for Air Quality
Frankfort Regional Office
663 Teton Trail
Frankfort, KY 40601

Division for Air Quality
Central Files
803 Schenkel Lane
Frankfort, KY 40601

10. In accordance with 401KAR 52:030, Section 3(1)(d), the permittee shall provide the Division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission survey is mailed to the permittee. If a KYEIS emission survey is not mailed to the permittee, then the permittee shall comply with all other emission reporting requirements in this permit.
11. The Cabinet may authorize the temporary use of an emission unit to replace a similar unit that is taken off-line for maintenance, if the following conditions are met:
- a. The owner or operator shall submit to the Cabinet, at least ten (10) days in advance of replacing a unit, the appropriate Forms DEP7007AI to DD that show:
 - (1) The size and location of both the original and replacement units; and
 - (2) Any resulting change in emissions;
 - b. The potential to emit (PTE) of the replacement unit shall not exceed that of the original unit by more than twenty-five (25) percent of a major source threshold, and the emissions from the unit shall not cause the source to exceed the emissions allowable under the permit;
 - c. The PTE of the replacement unit or the resulting PTE of the source shall not subject the source to a new applicable requirement;
 - d. The replacement unit shall comply with all applicable requirements; and
 - e. The source shall notify Regional office of all shutdowns and start-ups.
 - f. Within six (6) months after installing the replacement unit, the owner or operator shall:
 - (1) Re-install the original unit and remove or dismantle the replacement unit; or
 - (2) Submit an application to permit the replacement unit as a permanent change.

SECTION G - GENERAL PROVISIONS**1. General Compliance Requirements**

- a. The permittee shall comply with all conditions of this permit. A noncompliance shall be a violation of 401 KAR 52:030 Section 3(1)(b) and a violation of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act). Noncompliance with this permit is grounds for enforcement action including but not limited to the termination, revocation and reissuance, revision, or denial of a permit [Section 1a-2 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- b. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition [Section 1a-5 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- c. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:030 Section 18. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - (1) If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:030 Section 12;
 - (2) The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
 - (3) The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.

- d. The permittee shall furnish information upon request of the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the conditions of this permit [Sections 1a- 6 and 7 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- e. Emission units described in this permit shall demonstrate compliance with applicable requirements if requested by the Division [401 KAR 52:030 Section 3(1)(c)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

- f. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to the permitting authority [401 KAR 52:030 Section 7(1)].
- g. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a-11 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- h. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a-3 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- i. Except for requirements identified in this permit as state-origin requirements, all terms and conditions shall be enforceable by the United States Environmental Protection Agency and citizens. [Section 1a-12-b of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- j. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038 Section 3(6) [Section 1a-9 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- k. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:030 Section 11(3)].
- l. This permit does not convey property rights or exclusive privileges [Section 1a-8 of the *Cabinet Provisions and Procedures for Issuing Federally-Enforceable Permits for Non-Major Sources* incorporated by reference in 401 KAR 52:030 Section 26].
- m. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Cabinet or any other federal, state, or local agency.
- n. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry.
- o. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders.

SECTION G - GENERAL PROVISIONS (CONTINUED)

- p. This permit consolidates the authority of any previously issued PSD, NSR, or Synthetic Minor source preconstruction permit terms and conditions for various emission units and incorporates all requirements of those existing permits into one single permit for this source.
- q. Pursuant to 401 KAR 52:030, Section 11, a permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with:
 - (1) Applicable requirements that are included and specifically identified in this permit; and
 - (2) Non-applicable requirements expressly identified in this permit.

2. Permit Expiration and Reapplication Requirements

- a. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division [401 KAR 52:030 Section 12].
- b. The authority to operate granted through this permit shall cease to apply if the source fails to submit additional information requested by the Division after the completeness determination has been made on any application, by whatever deadline the Division sets [401 KAR 52:030 Section 8(2)].

3. Permit Revisions

- a. Minor permit revision procedures specified in 401 KAR 52:030 Section 14(3) may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of 401 KAR 52:030 Section 14(2).
- b. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

SECTION G - GENERAL PROVISIONS (CONTINUED)**4. Construction, Start-Up, and Initial Compliance Demonstration Requirements**

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the modification / construction of emission point 4, including the Balemaster Baling Press, Model E-710, and the Balemaster Hogger, Model 1275-62 in accordance with the terms and conditions of this permit.

- a. Construction of any process and/or air pollution control equipment authorized by this permit shall be conducted and completed only in compliance with the conditions of this permit.
- b. Within thirty (30) days following commencement of construction and within fifteen (15) days following start-up and attainment of the maximum production rate specified in the permit application, or within fifteen (15) days following the issuance date of this permit, whichever is later, the permittee shall furnish to the Regional Office listed on the front of this permit in writing, with a copy to the Division's Frankfort Central Office, notification of the following:
 - (1) The date when construction commenced.
 - (2) The date of start-up of the affected facilities listed in this permit.
 - (3) The date when the maximum production rate specified in the permit application was achieved.
- c. Pursuant to 401 KAR 52:030, Section 3(2), unless construction is commenced within eighteen (18) months after the permit is issued, or begins but is discontinued for a period of eighteen (18) months or is not completed within a reasonable timeframe then the construction and operating authority granted by this permit for those affected facilities for which construction was not completed shall immediately become invalid. Upon written request, the Cabinet may extend these time periods if the source shows good cause.
- d. For those affected facilities for which construction is authorized by this permit, a source shall be allowed to construct with the final permit. Operational or final permit approval is not granted by this permit until compliance with the applicable standards specified herein has been demonstrated pursuant to 401 KAR 50:055. If compliance is not demonstrated within the prescribed timeframe provided in 401 KAR 50:055, the source shall operate thereafter only for the purpose of demonstrating compliance, unless otherwise authorized by Section I of this permit or order of the Cabinet.
- e. This permit shall allow time for the initial start-up, operation, and compliance demonstration of the affected facilities listed herein. However, within sixty (60) days after achieving the maximum production rate at which the affected facilities will be operated but not later than 180 days after initial start-up of such facilities, the permittee shall conduct a performance demonstration on the affected facilities in accordance with 401 KAR 50:055, General compliance requirements. Testing must also be conducted in accordance with General Provisions G.5 of this permit.
- f. Terms and conditions in this permit established pursuant to the construction authority of 401 KAR 51:017 or 401 KAR 51:052 shall not expire.

SECTION G - GENERAL PROVISIONS (CONTINUED)**5. Testing Requirements**

- a. Pursuant to 401 KAR 50:045 Section 2, a source required to conduct a performance test shall submit a completed Compliance Test Protocol form, DEP form 6028, or a test protocol a source has developed for submission to other regulatory agencies, in a format approved by the cabinet, to the Division's Frankfort Central Office a minimum of sixty (60) days prior to the scheduled test date. Pursuant to 401 KAR 50:045, Section 7, the Division shall be notified of the actual test date at least Thirty (30) days prior to the test.
- b. Pursuant to 401 KAR 50:045 Section 5, in order to demonstrate that a source is capable of complying with a standard at all times, any required performance test shall be conducted under normal conditions that are representative of the source's operations and create the highest rate of emissions. If [When] the maximum production rate represents a source's highest emissions rate and a performance test is conducted at less than the maximum production rate, a source shall be limited to a production rate of no greater than 110 percent of the average production rate during the performance tests. If and when the facility is capable of operation at the rate specified in the application, the source may retest to demonstrate compliance at the new production rate. The Division for Air Quality may waive these requirements on a case-by-case basis if the source demonstrates to the Division's satisfaction that the source is in compliance with all applicable requirements.
- c. Results of performance test(s) required by the permit shall be submitted to the Division by the source or its representative within forty-five days or sooner if required by an applicable standard, after the completion of the fieldwork.

6. Acid Rain Program Requirements

- a. If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

7. Emergency Provisions

- a. Pursuant to 401 KAR 52:030 Section 23(1), an emergency shall constitute an affirmative defense to an action brought for noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or other relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;

SECTION G - GENERAL PROVISIONS (CONTINUED)

- (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and,
 - (4) The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two (2) working days of the time when emission limitations were exceeded due to an emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and the corrective actions taken.
 - (5) Notification of the Division does not relieve the source of any other local, state or federal notification requirements.
- b. Emergency conditions listed in General Provision G.7.a above are in addition to any emergency or upset provision(s) contained in an applicable requirement [401 KAR 52:030 Section 23(3)].
 - c. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof [401 KAR 52:030 Section 23(2)].
8. Ozone depleting substances
- a. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
 - (1) Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
 - (2) Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
 - (3) Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
 - (4) Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166.
 - (5) Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
 - (6) Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
 - b. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, *Servicing of Motor Vehicle Air Conditioners*.

SECTION G - GENERAL PROVISIONS (CONTINUED)

9. Risk Management Provisions

- a. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to:

RMP Reporting Center
P.O. Box 1515
Lanham-Seabrook, MD 20703-1515.

- b. If requested, submit additional relevant information to the Division or the U.S. EPA.

SECTION H - ALTERNATE OPERATING SCENARIOS

None

SECTION I - COMPLIANCE SCHEDULE

None